



Credit Union: _____

Charter Number: _____

Date: _____

LETTER OF EXEMPTION

This Letter of Exemption certifies that federal credit unions are exempt from all taxes imposed by the United States or by any state, territorial, or local taxing authority, except for local real or personal property tax. This exemption includes municipal taxes such as hotel taxes and night occupancy taxes *where the obligation of paying the tax falls on the federal credit union.*

A federal credit union (or an official or employee of the federal credit union who will be receiving reimbursement from the federal credit union) is entitled to the tax exemption regardless of whether the bill is paid by cash, check, credit card, debit card, charge card or any other method of acceptable payment.

Section 1768 of Title 12 of the United States Code, the authority which exempts all federal credit unions from most taxes, is reprinted below:

12 USC 1768

"The Federal credit unions organized hereunder, their property, their franchises, capital, reserves, surpluses, and other funds, and their income shall be exempt from all taxation now or hereafter imposed by the United States or by any State, Territorial, or local taxing authority; except that any real property and any tangible personal property of Federal credit unions shall be subject to Federal, State, Territorial and local taxation to the same extent as other similar property is taxed. Nothing herein contained shall prevent holdings in any Federal credit union organized hereunder from being included in the valuation of the personal property of the owners or holders thereof in assessing taxes imposed by authority of the State or political subdivision thereof in which the Federal credit union is located; but the duty or burden of collecting or enforcing the payment of such a tax shall not be imposed upon any such Federal credit union and the tax shall not exceed the rate of taxes imposed upon holdings in domestic credit unions."

Sincerely,

A handwritten signature in black ink, appearing to read "Robert M. Fenner".

Robert M. Fenner
General Counsel